

C615/625 Incoming
CC: Steve D.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District

Price Field Office

125 South 600 West

Price, UT 84501

<http://www.blm.gov/ut/st/en/fo/price.html>



RECEIVED

NOV 02 2015

DIV. OF OIL, GAS & MINING

OCT 29 2015

In Reply Refer To:
3482 (UTG023)
U-61049

Daron R. Haddock
Coal Program Manager
Utah Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Subject: Minor Coal Exploration Plan, Castle Valley Mine Permit Area, Federal Coal Lease U-61049, DOGM Permit C/015/0025

Dear Mr. Haddock:

The Bureau of Land Management (BLM), Price Field Office has received a copy of a coal exploration plan titled "Notice of Intent to Conduct Minor Coal Exploration" submitted by Castle Valley Mining, LLC (CVM). In the plan, CVM proposes to drill two helicopter assisted exploratory drill holes on the south end of Gentry Mountain, Emery County, Utah. The proposed drill holes are located on federal coal lease U-61049. The surface lands are administered by the Forest Service and are inside the Castle Valley Mine Permit Area. The purpose of this exploration program is to further define the extent of minable coal in advance of underground mining operations. Per regulations found at 43 CFR 3482.1 (a), responsibility for exploration for federal coal within an approved permit area after mining operations have commenced, is vested to your agency under an approved federal program.

The BLM concurs with the plan, as to the protection of federal subsurface resources and has the responsibility of coal data collection. We have reviewed CVM's plan and find it meets our requirements. We recommend that these exploration drill holes be approved and that CVM comply with our attached drill hole plugging stipulations.

If you have any questions concerning this matter, please contact Steve Rigby at 435-636-3604.

Sincerely,

Ahmed Mohsen
Field Manager

Enclosure:

Drill Hole Plugging Stipulations

cc: Roger Bankert (UT923)

Rick Rymerson (UTG000)

Kyle Beagley, Manti-La Sal National Forest
599 West Price River Road
Price, Utah 84501

Jaren Jorgensen, Castle Valley Mining LLC
P.O. Box 475
Huntington, Utah 84528

BLM Drill Hole Plugging Stipulations
For Castle Valley Mining
2015 Exploration Program, South Gentry Mountain

The Authorized Officer will be informed 24 hour prior to plugging so they can be onsite to witness the plugging.

The exploration drill holes will be plugged with cement or cement/bentonite slurry to their full depth. The completion method includes pulling surface casing when possible; but when not possible, cutting it flush with the ground; pumping the cement/bentonite slurry through the drill pipe starting at the bottom of the hole. Plugging will then be done in stages by tripping-out of the hole 3-4 joints (60-80 ft) and pumping again. This process will be repeated to the surface. A brass identification tag will be placed in the concrete at the top of the drill hole stating the operator's name, drill hole number and legal description. The plugged hole will be flush with the ground surface. Any deviation from the above will need to be discussed with the Authorized Officer.

The operator/lessee shall retain for 1 year, unless a shorter time period is authorized by the authorized officer, all drill cores and geophysical logs and shall make such cores and logs available for inspection or analysis by the authorized officer.

At the end of the exploration program and when the operator/lessee has fully compiled the drill hole data and logs, an exploration report, as detailed at 43 CFR 3485.1 (a), shall be filed with the authorized officer with all copies of required maps, logs and analyses.